

United States Department of Agriculture



Natural Resources Conservation Service
375 Jackson Street, Suite 600
St. Paul, MN 55101-1854

*Helping People
Help the Land*

Phone: (651) 602-7900
Fax: (651) 602-7914

Transmitted via Email

July 18, 2006

MINNESOTA BULLETIN NO. 300-6-37

SUBJECT: LTP – CSP – Contract Modification Period

Purpose. To announce the 2006 CSP contract modification period.

Expiration Date. September 30, 2006

Action Required in CSP Watersheds by August 1, 2006

Based on both the proposed FY2007 budget and the known amount of funds required to satisfy the financial and technical assistance obligations in existing CSP contracts, NRCS will proceed with a contract modification period for 2004 and 2005 CSP contract holders. The modification period will only be open to specific types of contract improvements. The national office is also reserving the option to prorate the FY2007 payments for these new contract improvements added during this modification period.

Participants who request a contract modification will be informed that there is no certainty of the FY2007 CSP funding level, or the amount of funds that will be available for contract improvement modification approvals.

2004 and 2005 CSP contract holders that meet the constraints identified may request the following types of changes to their contracts between August 1, 2006 and September 15, 2006. Requests from 2004 and 2005 CSP participants for contract improvement modifications that are outside these constraints will not be accepted or considered during this modification request period.

| Modification Type | Constraint |
|-------------------------------------|---|
| Tier Transition * | Contract modifications will be allowed to advance tiers on the operating unit identified in the benchmark agricultural operation delineation and still under the participant's control. The addition of land identified in the benchmark agricultural operation that will not result in a transition from a Tier I contract to a Tier II or Tier III contract will not be allowed during this modification period. |
| Adding Newly Acquired Land * | For Tier III contracts and those contracts that are advancing to Tier III during this modification period, contract modifications will be allowed to add newly acquired land. A modification request to add newly acquired land will trigger the need to update a participant's agricultural operation delineation to include all newly acquired agricultural land under their control. No newly acquired land will be added to Tier I or Tier II contracts during this modification period, unless they are advancing to Tier III. |
| Adding Enhancements | For Tier III contracts and those contracts that are advancing to Tier III during this modification period, contract modifications will be allowed to add new enhancements that have been established, or that are planned for future application. No new enhancements will be added to Tier I or Tier II contracts that are not advancing to a Tier III contract during this modification period. |

** Any land added to a contract by modification (either land within the benchmark agricultural operation delineation of a Tier I contract advancing to a Tier II or Tier III contract, or newly acquired land) must meet:*

- the minimum level treatment requirements in the sign-up announcement from the year the contract was approved, and*
- the criteria for the lowest enrollment category funded during the sign-up when the contract was approved.*

Lowest Enrollment Categories from CSP Sign-ups
2004 – Category H
2005 – Category C

All modification requests will be held as pending until the FY2007 CSP budget level is known. The decisions to approve modifications and the funding rate if approval will not take effect until some time after October 1, 2006.

The payments for approved modifications will be effective with the 2007 contract year. If there are insufficient available funds, the first year (2007) payments for the contract modifications will be proportionally reduced. Prorating to accommodate modification approvals should only apply to the FY2007 year with all out-year contract payments subsequently receiving full value.

Prior to August 1 all 2004 and 2005 CSP contract holders will be notified of this CSP contract modification period via certified mail. Attached to this bulletin is a draft standardized letter along with a spreadsheet containing the names and addresses of existing 2004 and 2005 contract holders. Through a Contribution Agreement with the Minnesota Association of Soil and Water Conservation Districts (MASWCD), partnering SWCDs located in the 2004 and 2005 CSP watersheds will be eligible to receive reimbursement for assistance they provide to notify potential participants and scheduling and facilitating participant workshops to help explain the provisions of this contract modification period. Eligible SWCDs

will be notified of this opportunity through a separate letter from the MASWCD. The standardized letter may need to be locally modified to include details on local CSP modification workshops.

On Wednesday July 26 there will be a net-conference training session on the CSP contract modification period from 9:00 – 11:00. The net conference access numbers are listed below. ASTC(FO) need to insure that all field staff providing assistance on this CSP modification period participate in the training session.

PARTICIPANT ACCESS INFORMATION

Please join MS LEAH DUZY on JUL-26-2006 (Wednesday) at 09:00 AM CENTRAL TIME. Access information is below.

AUDIO PARTICIPANT ACCESS

| | |
|------------------|-------------------------|
| CALL DATE: | JUL-26-2006 (Wednesday) |
| CALL TIME: | 09:00 AM CENTRAL TIME |
| DURATION: | 2 hr |
| LEADER: | MS LEAH DUZY |
| USA Toll Number: | +1-210-234-0010 |
| PASSCODE: | 2079457 |

For security reasons, the passcode and the leader's name will be required to join your call.

NET CONFERENCING PARTICIPANT ACCESS INFORMATION

URL: <https://www.mymeetings.com/nc/join/>
CONFERENCE NUMBER: PH9485464
AUDIENCE PASSCODE: 2079457
You can join the event directly at:
<https://www.mymeetings.com/nc/join.php?i=PH9485464&p=2079457&t=c>

Direct questions on the information in this bulletin to Paul Flynn, State Resource Conservationist at 651-602-7870.

Charles Montgomery, acting for

WILLIAM HUNT
State Conservationist

Attachments

DIST: AO
ARC
FO